

1 Amend 2 Cal. Code Regs. section 18544 to read:

2 **§ 18544. Campaign Contribution and Voluntary Expenditure COLA Formula.**

3 (a) For purposes of Government Code section 83124, beginning the year 2002 the  
4 cost of living adjustment shall be calculated as follows.

5 (1) The contribution limitations in Government Code sections 85301, 85302 and  
6 85303 shall be adjusted biennially by the Commission to reflect changes in the California  
7 Consumer Price Index (CPI). The adjustment shall be made using the following formula:  
8 the contribution limit amount in effect January 1, 2001, multiplied by the annual CPI,  
9 divided by the base CPI from 2000, rounded to the nearest one hundred dollars (\$100).<sup>i</sup>  
10 The resulting figure shall be the adjusted contribution limitation in effect for all state  
11 elections held until the next odd numbered year.

12 (2) The voluntary expenditure ceilings in Government Code section 85400 shall  
13 be adjusted biennially by the Commission to reflect changes in the California Consumer  
14 Price Index. The adjustment shall be made using the following formula: the voluntary  
15 expenditure ceiling amount in effect January 1, 2001, multiplied by the annual CPI,  
16 divided by the base CPI from 2000, rounded to the nearest one thousand dollars  
17 (\$1,000).<sup>ii</sup> The resulting figure shall be the adjusted voluntary expenditure limitation in  
18 effect for all state elections held until the next odd numbered year.

19 (b) For purposes of Government Code section 85316(b), beginning the year 2006  
20 the cost of living adjustment shall be calculated as follows.

21 (1) The contribution limitation shall be adjusted biennially by the Commission to  
22 reflect changes in the California Consumer Price Index (CPI). The adjustment shall be

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<sup>i</sup> For example, the annual average California CPI for All Urban Consumers for 2000 is 174.8. In 2002, the California CPI increased to 187.4. Therefore an adjusted contribution limit beginning in 2003 that was \$3,000 would be calculated as follows:  $(\$3,000 \times 187.4) / 174.8 = \$3,216$  (\$3,200 rounded to the nearest \$100)

<sup>ii</sup> For example, the annual average California CPI for All Urban Consumers for 2000 is 174.8. In 2002, the California CPI increased to 187.4. Therefore an adjusted expenditure ceiling beginning in 2003 that was \$400,000 would be calculated as follows:  $(\$400,000 \times 187.4) / 174.8 = \$428,833$  (\$429,000 rounded to the nearest \$1,000)

1 made using the following formula: the contribution limit amount in effect January 1,  
2 2007, multiplied by the annual CPI, divided by the base CPI from 2006, rounded to the  
3 nearest one hundred dollars (\$100). The resulting figure shall be the adjusted contribution  
4 limitation in effect for all state officeholders until the next odd numbered year.

5 ~~(b)~~ (c) The adjustments shall be based upon the September forecast of U.S.  
6 Bureau of Labor Statistics California Consumer Price Index for All Urban Consumers for  
7 the calendar year immediately preceding the year in which the adjustment is to take  
8 effect.

9 Note: Authority cited: Section 83112.

10 Reference: Sections 83124, 85301, 85302, 85303 and 85400, Government Code.

11 FINDING OF EMERGENCY

12 The Fair Political Practices Commission finds that an emergency exists and that the foregoing regulation is  
13 necessary for the immediate preservation of the public peace, health, safety or general welfare. A statement  
14 of the facts constituting such emergency is:

15 STATEMENT OF FACTS

16 In order to clarify issues relating to contributions made to an elective state officer after the date of his or her  
17 election, it is necessary that this regulation take effect on an emergency basis.

